

DEPARTMENT OF STATE REVENUE
LETTER OF FINDINGS NUMBER: 95-0702 ST
Sales Tax
For The Tax Periods: 1992 through 1994

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ISSUE

I. **Sales Tax**: Audit Projection.

Authority: IC 6-2.5-2-1.

Taxpayer protests the audit projection.

STATEMENT OF FACTS

Taxpayer is a full service heavy-duty truck and trailer dealership.

Additional facts will be provided as needed.

I. **Sales Tax**: Audit Projection.

DISCUSSION

On January 25, 1995, taxpayer signed an agreement for Projecting Audit Results, Form AD-10A. This agreement detailed an agreement on a projection computation for Indiana sales and use tax. Taxpayer and the auditor agreed that the month of June 1993 would represent a fair estimate of sales and use tax for the entire audit period.

Taxpayer argues that this month was not fairly representative of the taxpayer's activities for the audit period. Taxpayer argues that unusual circumstances occurred around June 1993. These unusual circumstances included employment disputes and small sales to non-recurring customers. Taxpayer suggests that July 1992 and April 1994 would be more fairly representative of the taxpayer's business activity for sales and use tax purposes.

The execution and acceptance of the agreement does not deprive the taxpayer of any rights to appeal. However, taxpayer agreed to the projection computation used and the projection. Upon review of the audit and tax assessment, the Department finds that the original projection was reasonable and fair.

FINDING

Taxpayer's protest is denied.